



STAFF REPORT

REPORT ON ECONOMIC DEVELOPMENT ENHANCEMENT – TARGET SITE STRATEGY – PHASE 2, TECHNICAL ASSESSMENT, A RESOLUTION AMENDING A PROFESSIONAL SERVICES AGREEMENT WITH KEYSER MARSTON ASSOCIATES, INC. TO PERFORM ADDITIONAL ECONOMIC DEVELOPMENT CONSULTING SERVICES AND A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT TO ENGAGE FIELD PAOLI TO PERFORM ASSOCIATED ARCHITECTURAL SERVICES

Honorable Chair and Board Members:

Summary

This report is a status report on recent activities related to advancing the City of Belmont's Economic Development Enhancement – Target Site Strategy to Phase 2, Technical Assessment. At the conclusion of the report, the agency Directors are requested to authorize a resolution engaging the services of professional consultants to implement the next phase.

Background

At the February 2005 meeting of the Belmont Redevelopment Agency Board, staff presented a three-pronged economic development strategy with the following components:

- Economic Development Enhancement – Target Site Strategy (*prepared by Keyser Marston Associates, Inc., with assistance of NABT Commercial*)
- Economic Development Expansion – HIA Annexation Strategy (*prepared by Curtis Williams*)
- Economic Development Retention – Business Retention Strategy (*prepared by the Chamber of Commerce*).

To advance the Economic Development Enhancement – Target Site Strategy, the Board approved and directed staff to undertake the next steps recommended by KMA in its study (Executive Summary: City of Belmont Economic Development Enhance – Target Sites Strategy, dated February 7, 2006), which include the following:

- 1) Clarify the priority sites for immediate actions.
- 2) Prepare a specific action plan for each of the sites.
- 3) Depending on the ownership of these priority sites, identify the most appropriate

- approach to market the sites for development.
- 4) Allocate existing resources, and identify additional funds for project implementation.

The above actions represent Phase 2 of the Economic Development Enhancement implementation process. Phase 2 (Technical Assessment) would lead to Phase 3 (Public Vision), Phase 4 (Request for Proposals/RFP's) and Phase 5 (Negotiation and Development).

Discussion

Staff has met with Keyser Marston Associates (KMA) to revisit all the candidate sites and prioritize five of the sites for immediate actions, based on the criteria identified in KMA's study, for sites with high development potential in the near-term. These criteria include:

- City Ownership of Key Parcel(s) and /or Land Continuity
- Strong Indications of Preliminary Market Feasibility
- No or Minimal Existing Residential Use
- Compatibility with City Economic Development Strategy Goals and Existing Uses
- No or Low Public Resource Requirement.

The five priority sites recommended by staff as best matching the above criteria are:

- 1) the train station/Masonic corridor area - generally from the station to the junction of Hwy 101/Ralston,
- 2) the Village Center (Emmett House, etc.)
- 3) the Old City Hall area;
- 4) the City's Corporation Yard area, and
- 5) the City's Sports Complex Area.

To advance Phase II of the implementation process, KMA recommended that in-depth technical due diligence be conducted for each of the five priority sites to confirm and refine the data gathered to date and to obtain any additional information needed to verify the development feasibility of each of the sites, i.e., physical, legal, financial. The key tasks to be undertaken by KMA will result in the following DELIVERABLES:

- Documenting relevant site data, i.e, specific parcel(s) affected and ownership, existing physical and legal constraints on potential site development, etc.;
- Working with City-designated urban designers/architects to develop conceptual plan alternatives (up to 3) for each target site area;

- Meeting with adjacent property owners and experienced developers to gauge interest in development of target site areas;
- Identifying the most appropriate ownership and development structure (owner participation, joint venture, master developer, lessee, etc.) for implementation, including the potential need for City/Agency site assemblage, relocation of existing uses, etc.
- Preparing preliminary financial feasibility analysis based on an estimate of development costs (based on generic prototypes), a projection of income, and an assessment of investment returns;
- On an order-of-magnitude basis, identifying the amount of City/Agency resources which may be needed for project feasibility and the public resources available (if needed.)

To assist in this effort, KMA recommended the assistance of Field Paoli (FP), a highly qualified and experienced retail architectural, planning and design firm, to help evaluate site capacity and feasibility as well as to prepare the conceptual plans and programs for visualization. The firm is uniquely qualified for this assignment as it is highly familiar with city's downtown due to its current work in the community and has extensive experience working on similar downtown projects through the western United States. The specific work tasks proposed by Field Paoli are as follows:

- Prepare a series of conceptual drawings and data to test the development possibilities of each site;
- Meet with city staff and other members of the City of Belmont to review and refine the initial concepts;
- In the final iteration, prepare color plans and sections for presentation to the Subcommittee of the City Council.

The detailed scope of services for both KMA and Field Paoli are included in the contract authorizations herein attached. The work will be completed within 90 to 120 days after receipt of contract authorization.

General Plan/Vision Statement

Approval of this matter is consistent with the General Plan and Vision Statement.

Fiscal Impact

KMA and Field Paoli propose to perform their scope of work for \$50,000 and \$38,000, respectively. After consideration of salary and other expenditure savings, there is sufficient funding of \$88,000 in the Belmont Redevelopment Agency account number 801-4631-8355, Economic Development – Marketing, to fund this action.

Public Contact

Posting of City Council agenda.

Recommendation

Staff seeks Agency Board approval of the contract authorizations for Keyser Marston Associates, Inc. and Field Paoli. A resolution engaging the services of professional consultants to implement the next phase is attached for this purpose.

Alternatives

1. Select alternative priority sites based on February 7, 2006 report. The Agency Directors are requested to seek comment from consultants on rationale for inclusion or exclusion of sites based on initial evaluation.
2. Direct staff to bring back alternative priority sites based on other criteria as determined by the Agency Directors. February 7, 2006 report.
3. Take no action.

Attachments

- A. Resolution Amending A Professional Services Agreement With Keyser Marston Associates, Inc. to Perform Additional Economic Development Consulting Services in an Amount not to Exceed \$50,000.
- B. Resolution Authorizing a Professional Services Agreement to Engage Field Paoli to Perform Associated Architectural Services in an Amount not to Exceed \$38,000.
- C. Contract Extension Authorization with Keyser Marston Associates, Inc.
- D. New Contract Authorization with Field Paoli

Respectfully submitted,

Thomas Fil
Finance Director

Maureen Cassingham
Interim Executive Director

Staff Contact:

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REDEVELOPMENT AGENCY RESOLUTION NO. _____

**RESOLUTION AMENDING A PROFESSIONAL SERVICES AGREEMENT WITH
KEYSER MARSTON ASSOCIATES, INC. TO PERFORM ADDITIONAL ECONOMIC
DEVELOPMENT CONSULTING SERVICES IN AN AMOUNT NOT TO EXCEED
\$50,000**

WHEREAS, the Belmont Redevelopment Agency desires to implement an Economic Development Strategy requiring a technical assessment of targeted sites; and,

WHEREAS, Keyser Marsten Associates, Inc (KMA) posses required skills and expertise in this area that would be of benefit to the Agency; and

WHEREAS, KMA has an existing agreement with the Agency dated December 16, 2005 and submitted a proposal amending that agreement to perform additional required work as shown as Attachment C to the staff report dated April 11, 2006 on this matter.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Belmont authorizes the Interim Executive Director to execute an amendment to the professional service agreement with KMA dated December 16, 2005 in an amount not to exceed \$50,000 (fifty thousand dollars) for technical assessment assistance on targeted sites.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Redevelopment Agency of the City of Belmont at a regular meeting thereof held on April 11, 2006 by the following vote:

AYES, DIRECTORS: _____

NOES, DIRECTORS: _____

ABSTAIN, DIRECTORS: _____

ABSENT, DIRECTORS: _____

Secretary, Redevelopment Agency

APPROVED:

Chair, Redevelopment Agency

REDEVELOPMENT AGENCY RESOLUTION NO. _____

RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT TO ENGAGE FIELD PAOLI TO PERFORM ASSOCIATED ARCHITECTURAL SERVICES IN AN AMOUNT NOT TO EXCEED \$38,000

WHEREAS, the Belmont Redevelopment Agency desires to implement an Economic Development Strategy requiring a technical assessment of targeted sites; and,

WHEREAS, Field Paoli (FP) posses required skills and expertise in this area that would be of benefit to the Agency; and

WHEREAS, FP has submitted a proposal to perform the required work as shown as Attachment D to the staff report dated April 11, 2006 on this matter.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Belmont authorizes the Interim Executive Director to execute a professional service agreement with FP in an amount not to exceed \$38,000 (thirty-eight thousand dollars) for technical assessment assistance on targeted sites.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Redevelopment Agency of the City of Belmont at a regular meeting thereof held on April 11, 2006 by the following vote:

AYES, DIRECTORS: _____

NOES, DIRECTORS: _____

ABSTAIN, DIRECTORS: _____

ABSENT, DIRECTORS: _____

Secretary, Redevelopment Agency

APPROVED:

Chair, Redevelopment Agency